

**CO-OPERATIVE HOUSING PROGRAMS ADMINISTRATION AGENCY –
AGENCE D'ADMINISTRATION DES PROGRAMMES D'HABITATION
COOPÉRATIVE DU Canada**

**MINUTES
BOARD OF DIRECTORS MEETING
November 12, 2004**

1. CALL TO ORDER

The Board of Directors meeting convened on November 12, 2004 at 9:14 a.m.

Present were:

Peter Crawford
Carol Davis
Ray Hession
Jill Kelly
Stuart Thomas
Barb Millsap

constituting a quorum of the Board.

Also present were Alexandra Wilson, the Member's representative, Nora Sobolov, giving a presentation, and Melanie Clement, taking minutes. Margaret Singleton joined the group at 11:00 a.m. for item 9.

Ray Hession chaired the meeting.

2. APPROVAL OF AGENDA

The directors agreed on the agenda, moving item 5, the Board of Directors' Mandate, to item 12.

3. APPROVAL OF PREVIOUS MINUTES

M/S/C Ray Hession/Peter Crawford

BE IT RESOLVED THAT the minutes of the two meetings of the Board of Directors held on August 9, 2004 be approved.

4. PROGRESS REPORT ON AGENCY START-UP

Directors were in receipt of a report on progress made to date in establishing the Agency. Alexandra Wilson provided an oral update. Items of note were that David Cluff, our main interlocutor at CMHC, left the corporation and has been replaced by Eva Berringer. This follows the earlier transfer of the Agency file at the vice-president level at CMHC from Doug Stewart to Bill Smith. The main item in the agency start-up schedule that is slipping is discussions with CMHC. An agreement with CMHC on the Agency's first service agreement may yet be reached by the end of January, but that date is beginning to look doubtful. It may be possible to reach it if side talks on the secondary issues can be held in parallel with the main agency negotiations.

Directors were advised that work on the key item in the critical path – development of the Agency's information system – is on track and proceeding well. There remains sufficient float time for the other items in the schedule for the Board to be reasonably sure that any slippage there will not prevent the achievement of key milestones.

Regarding possible collaboration with the Federal Co-operative Stabilization Fund, the Board was informed that CMHC has declined support for the option of full convergence of the two entities' operations expressing the view that sharing of other than administrative personnel could lead to conflicts of interest. The subject has been dropped for the time being. The case for convergence may become more compelling over time, as the Stabilization Fund faces a falling away demand for its services and housing co-operatives' operating agreements with CMHC begin to expire, leading to a decline in the Agency's workload. (Eight per cent of co-ops will pay off their mortgages and see their operating agreements expire some time in the next ten years. After that the agreements expire at a faster rate.)

5. AMENDMENTS TO BY-LAW NO. 1

The Board discussed recommended amendments to By-law No. 1. Other than the changes proposed to sections 5.04 and 7.09, the amendments are all of a housekeeping nature. It was agreed to replace the word 'may' with 'can' in one place.

M/S/C Carol Davis/Barb Millsap

BE IT RESOLVED THAT the amendments to By-law No. 1 be approved.

6. FINANCE AND AUDIT COMMITTEE MANDATE

Directors had before them proposed terms of reference for the Finance and Audit Committee.

The Board approved the statement with the following changes:

- addition of a provision entitling the external auditor to receive notice of the committee's meetings and attend at his or her option;
- the removal of the words "by management and the Board" from item 13 in the list of responsibilities.

7. **APPOINTMENT OF FINANCE AND AUDIT COMMITTEE**

The Chair requested two volunteers to serve on the Finance and Audit Committee. Carol Davis and Barb Millsap volunteered and were appointed by the Board to serve on the committee with the Treasurer, Peter Crawford.

8. **DEVELOPMENT OF AGENCY INFORMATION SYSTEM**

Directors were in receipt of a report from CHF Canada on the process in place for acquiring a suitable automated information system for the Agency. Several points were raised during the discussion of the report:

- in the event that CMHC ever needs to take back portfolio management responsibility from the Agency, it must be entitled to receive both the information system and the data it holds.
- CHF Canada must be involved in providing the information system during the set-up of the Agency but should not have to be involved indefinitely afterwards.
- A chief information user or users must be identified and given responsibility for defining the requirements and acceptance criteria for the system.
- The Agency is to be the main user of the system and will provide access to other users – co-op auditors, the Stabilization Fund, CMHC, co-ops and others – as needed.
- Problems with integrity of data received from CMHC on its co-ops clients may present some difficulties, but it must be remembered that co-ops are ultimately accountable for the data. Going forward the data in the system will only be as good as the data co-ops provide.
- The primary view of data in the system will be by co-op, consistent with the Agency's client-centered approach.

The Board agreed that Alexandra Wilson should chair the Chief Information Users Group on behalf of the Board. Terms of reference will be brought to the next meeting of the Board. The Board held a preliminary discussion on how to populate the group, noting that CMHC should be involved, as well as representatives from a regional co-op housing federation and property-management firm with significant co-op experience. Ray Hession will provide a template for the terms of reference.

Consideration of the proposed Lease-to-Own Application Service Provider Term Sheet was postponed to a later time, when the system requirements have been further defined.

9. AGENCY CLIENT-SERVICE STRATEGY

The Board was in receipt of a preliminary client-service strategy. Important sections remain to be completed, pending a survey of housing co-operatives and definition of bilingual service requirements. Directors were advised that the strategy, once fully defined, will be re-written in more accessible language. Alexandra Wilson provided a brief commentary, noting that key strategies for excellent client service include transparency and tuning products to their intended audience.

Some key comments raised during the discussion were:

- How will the Agency satisfy clients and measure client satisfaction? How will the Agency translate the strategy managerially into processes? An expression of strategies in product terms is needed.
- The goal of the Agency will be to establish not satisfaction standards, but service standards.
- A bridge from strategy to implementation is required. The Agency must remember to ask itself, What did the government seek to achieve by creating the programs?
- In order to take over fielding of calls from CMHC and to set appropriate standards, information will be needed on what kind of calls CMHC receives.
- Can quality service to co-ops pay off in enhanced compliance?
- There is a transitional challenge: the co-ops must be convinced that the Agency holds their best interests at heart and is interested in their bottom-line results and not details.
- No baseline performance indicator in the area of client service is currently available.
- In the introduction of Annex 1, point 3 may dilute accountability.

The Board endorsed the directions set out in the preliminary client-service strategy documents and directed that the next steps defined there be taken.

The Board further approved the broad approach to client service set out in the strategy, specifically that the Agency not follow a particular program of quality management with respect to client service, or seek certification under such a program, but develop its own approach, borrowing ideas from such sources as the National Quality Institute, the Government of Canada and the UK Housing Corporation.

The Board will expect to see the final strategy document at its January meeting.

10. APPOINTMENT OF LEGAL COUNSEL

M/S/C Peter Crawford/Barb Millsap

BE IT RESOLVED THAT Laird Hunter of Worton Hunter serve as general counsel to the Agency and Neil Milton of Milton Geller as legal counsel.

11. AGENCY VISION, MISSION, VALUES

The Board participated in a brain-storming session led by Nora Sobolov towards the development of vision, mission, and value statements for the Agency. Using the results of the session, Nora will draw up draft statements for consideration by the Board at its next meeting.

12. BOARD OF DIRECTORS' MANDATE

Directors had before them a proposed mandate statement for the Board of Directors. The Board approved the statement with the following changes:

- The Board will select the CEO, who will hire the senior management team.
- The word 'mandate' will be changed to 'role'.

M/S/C Stuart Thomas/Jill Kelly

The Board agreed to change the date for the first scheduled review of the statement from 2009 to 2006.

BE IT RESOLVED THAT the Board policy be approved as amended.

A role statement for individual directors will be considered at a later date.

13. OTHER BUSINESS

Directors were reminded that the next meeting of the Board is scheduled for January 9, 2005

It was agreed that a corporate calendar for 2005 would be considered at the next meeting of the Board. It will incorporate a meeting on either the 16th or 17th of June, to take place

in conjunction with CHF Canada's annual meeting in Edmonton. Barb Millsap advised the Board that she will not be able to attend that meeting.

Ray Hession will not be able to attend meetings during the two-month period beginning January 15, 2005. As Vice President, Jill Kelly will chair any board meetings that take place during that time.

There being no further business to conduct, the chairperson, Ray Hession, declared the meeting closed at 2:45 p.m. EST.

CERTIFIED to be the minutes of a meeting of the Board of Directors of the Co-operative Housing Programs Administration Agency of Canada – Agence d'administration des programmes d'habitation coopérative du Canada held on November 12, 2004.

Ray Hession, Chairperson

Melanie Clement, Recording Secretary